News Release

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1000 Days and Counting...

City Fails to Implement Voter Mandated Managed Competition Reforms

FOR IMMEDIATE RELEASE Monday, August 3, 2009

SAN DIEGO – On the 1000th day since the passage of Proposition C, City Councilmember Carl DeMaio lamented the City of San Diego's lack of progress in implementing the Managed Competition process to eliminate waste and inefficiency in city government through the power of competitive bidding.

"The voters spoke 1000 days ago – and insisted that the city use this proven reform tool to eliminate inefficiencies and achieve taxpayer savings. Not one city program – not even one single city position – has been reviewed using this cost-saving tool. Taxpayers should be outraged at the delay in the implementation of a reform they mandated at the ballot box – as well as the excessive costs of that delay," commented DeMaio.

Despite strong opposition from city labor unions, Prop C garnered an impressive 60% mandate of the people in November of 2006. But even after all the votes of the people were counted, the city's labor unions continued to contest the reform.

DeMaio released documents detailing meetings and negotiation sessions and showing the City of San Diego has granted over <u>1100 hours of "negotiation" leave</u> for city employees – with total costs of negotiations valued at over \$124,000.

While this reform initiative has been delayed, taxpayers have also lost out on millions in potential cost savings that other cities have achieved using the same tool.

Joined by the San Diego County Taxpayers Association, DeMaio called on the Mayor and City Council to work together to expedite implementation and commit to examining at least 10% of the city budget within the next 12 months using the managed competition process.

Lani Lutar, CEO of the Taxpayers Association, added, "The Council should promptly work out a plan with the Mayor and have an appropriate dialog with labor representatives so we can get this back on track."

"Taxpayers should insist that city leaders heed the will of the people and start implementing this reform in city government," concluded DeMaio. For copies of the documents detailing the costs of the delay in the city's managed competition program, visit www.CleanUpCityHall.com.

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